



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

October 1, 2014

ANN MCCRACKEN, TREASURER  
CHIVUKULA FOR CONGRESS  
P.O. BOX 5222  
SOMERSET, NJ 08875-5222

**Response Due Date**  
**11/05/2014**

IDENTIFICATION NUMBER: C00415828

REFERENCE: JULY QUARTERLY REPORT (05/15/2014 - 06/30/2014)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 8 item(s):

1. Schedule A of your report discloses one or more contributions that appear to be from a corporation(s) and/or labor organization(s) (see attached). 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)) and 11 CFR § 103.3(b) prohibit the receipt of contributions from corporations and labor organizations unless made from separate segregated funds established by the corporations and labor organizations.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information.

If you have received prohibited contributions, you must make a refund within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(1) and (2))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(a) of the report covering the period in which the refund is made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the

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prohibited amount will be taken into consideration.

**2.** While it is permissible for a person to make a contribution for the general election prior to the primary election, the recipient committee must employ an acceptable accounting method to distinguish between primary and general election contributions. (11 CFR § 102.9(e)) This general election amount must be maintained in the committee's account.

Since the candidate will not participate in the general election, any contribution received for the general election must be returned to the donors or redesignated to the primary if your committee has net debts outstanding for the primary election. To redesignate a contribution the committee must either (1) obtain signed written documentation from the contributor(s) authorizing the redesignation of the contribution for another election provided that the new designation does not exceed the limitations on contributions made with respect to that election, or (2) redesignate the contribution by presumption to the primary election, for undesignated contributions made after the primary but before the general election, provided that the new designation does not exceed the limitations on contributions made with respect to that election. In this case, the treasurer must notify the contributor of the redesignation in writing. The notification must give the contributor an opportunity to request a refund. A contribution can only be redesignated to a previous election to the extent that the contribution does not exceed net debts outstanding for that election. (11 CFR § 110.1(b)(3)(i) and (5)(ii)(C))

Any subsequent report(s) filed with the Commission must disclose the refund or redesignation of any general election contribution. Refunds or redesignations must be done within 60 days after the 2014 Primary Election.

Although the Commission may take further legal action, your prompt action to refund these contributions will be taken into consideration.

**3.** Schedule A of your report discloses one or more contributions that appear to be from limited liability corporation(s) (LLC) (see attached). 11 C.F.R. §110.1(g) allows the receipt of contributions from LLCs providing the LLC is treated as a partnership for tax purposes, and has not elected to be treated as a corporation by the Internal Revenue Service (IRS). Both LLCs that claim corporate status and those that publicly traded would be treated as corporations for FECA purposes.

Please amend your report to clarify if the LLCs in question are treated as

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partnerships. If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information.

If you have received prohibited contributions, you must make a refund. (11 CFR § 103.3(b)(1)) The refund must be made within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(2))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(a) of the report covering the period in which the refund was made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

**4.** Schedule A of your report indicates that your committee may have failed to file one or more of the required 48-hour notices regarding "last minute" contributions received by your committee after the close of books for the 12 Day Pre-Primary Report (see attached). A principal campaign committee must notify the Commission, in writing, within 48 hours of any contribution of \$1,000 or more received between two and twenty days before an election. These contributions are then reported on the next report required to be filed by the committee. To ensure that the Commission is notified of last minute contributions of \$1,000 or more to your campaign, it is recommended that you review your procedures for checking contributions received during the aforementioned time period. The failure to file 48-hour notices may result in civil money penalties or legal enforcement action. (11 CFR § 104.5(f))

If any contribution of \$1,000 or more was incorrectly reported, you must amend your original report with the clarifying information.

**5.** Your committee filed 48-hour notices disclosing "last minute" contributions (see attached). However, only partial amounts of these contributions have been disclosed on Schedule A of this report. Please amend your report to include the entire amounts of these contributions or provide an explanation of the apparent discrepancies. (11 CFR § 104.3(a)(4)(i))

**6.** Commission Regulations require that a committee discloses the

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identification of all individuals who contribute in excess of \$200 in an election cycle. (11 CFR § 104.3(a)(4)(i)) Identification for an individual is defined as the full name (initials for first or last name are not acceptable), complete mailing address, occupation, and name of employer. (11 CFR § 100.12) Your report discloses contributions from individuals for which the identification is not complete.

The attached employer and occupation entries appear on your report and are not considered acceptable.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR § 104.7(b)(1)) See 11 CFR § 104.7(b)(1)(B) for examples of acceptable statements regarding the requirements of federal law.

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur no later than 30 days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2)) The requests must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you should either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR § 104.7(b)(4))

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Please amend your report to provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

7. Schedule C of your report fails to include information required by Commission Regulations. With every report submitted, you must provide the date incurred, the original source and amount of the loan, the due date, the interest rate, the cumulative payment, and the outstanding balance. In addition, if there are any endorsers or guarantors, their mailing address, along with the name of their employer and occupation, must be disclosed. Please amend your report to include the due date for the following candidate loans: \$25,000.00 on 5/19/2014 and \$25,000.00 on 5/27/2014. (11 CFR §§ 100.52(a), 100.52(b) and 104.3(d))

8. When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used personal funds or borrowed the money from a lending institution or some other source. Please amend your report to indicate whether the loan is from the candidate's personal funds or if he/she obtained the loan from a bank loan, brokerage account, credit card, home equity line of credit, or other line of credit.

If the candidate loan was obtained from a lending institution, you must also file a Schedule C-1 with the Commission, providing the name of the lending institution and the complete terms of the loan between the candidate and the lending institution. Schedule C-1 can be downloaded from the FEC website at <http://www.fec.gov>, or requested through the FEC Faxline at (202) 501-3413. Electronic filers must submit the Schedule C-1 electronically.

If the loan(s) was from personal funds, please acknowledge that fact in an amendment to this report. It is important to note that "personal funds" is strictly defined by Commission Regulations. (11 CFR §100.33)

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

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Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended.

If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1130.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jaime', with a stylized flourish extending to the right.

Jaime Amrhein  
Campaign Finance Analyst  
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions  
Chivukula for Congress (C00415828)**

**Contributions from Possible Prohibited Entities**

<b>Contributor Name</b>	<b>Date</b>	<b>Amount</b>	<b>Election</b>
Babco Foods Int'l	6/2/14	\$1,000.00	P2014
Future Foods LLC	6/2/14	\$1,000.00	P2014
Gary PasrichaPasricha & Patel LLC	5/15/14	\$1,000.00	P2014
Manipal Education Americas LLC	5/28/14	\$1,000.00	P2014
Meganet Solutions LLC	5/27/14	\$501.00	P2014
Peachtree Montessori Learning	5/27/14	\$500.00	P2014
Services LLC Reddy Engineering and Inspection	6/2/14	\$250.00	P2014
Supervisory Officers Franklin Township PBA 154	6/2/14	\$500.00	P2014
Supervisory Officers Franklin Township PBA 154	6/2/14	\$500.00	P2014

**Missing 48-Hour Notices**  
**Chivukula for Congress (C00415828)**

Contributor Name	Date	Amount	Election
Kolli, Siva	5/25/14	\$1,000.00	P2014
Manipal Education Americas LLC	5/28/14	\$1,000.00	P2014

**Incorrectly Reported Receipts on 48-Hour Notices  
Chivukula for Congress (C00415828)**

**48 Hour Notices Filed/Only Partial Contributions Disclosed on Schedule A**

Contributor Name	Date	Amount
Chivukula, Upendra	5/19/14	\$27,000.00
Chivukula, Upendra	5/23/14	\$27,000.00

**Inadequate Employer/Occupation Entries**  
**Chivukula for Congress (C00415828)**

Employer	Occupation
Dogra CPA LLC	Information Requested
Energy Infotech Inc.	Business
GSV Pharmacy	Information Requested
Information Requested	Board Certified in Internal Medicine
Information Requested	Information Requested
Interactive Network For Continuing Ed	Information Requested
Ithas Restaurant	Information Requested
Rajni Jewelers Inc.	Information Requested
Self-employed	Businessman
Suydam Farms	Information Requested